



Department of Justice



ENVIRONMENTAL PROTECTION AGENCY

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NORTH AMERICA'S LARGEST LEAD PRODUCER TO SPEND \$65 MILLION TO CORRECT ENVIRONMENTAL VIOLATIONS AT MISSOURI FACILITIES

WASHINGTON – Doe Run Resources Corp. of St. Louis, North America's largest lead producer, has agreed to spend approximately \$65 million to correct violations of several environmental laws at 10 of its lead mining, milling and smelting facilities in southeast Missouri, the Justice Department, Environmental Protection Agency (EPA) and the Missouri Department of Natural Resources announced today.

As part of the settlement, Doe Run will pay a civil penalty of \$7 million for violating a series of environmental laws, including the federal Clean Air Act, Clean Water Act, Resource Conservation and Recovery Act, Emergency Planning and Right-to-Know Act, Comprehensive Environmental Response, Compensation and Liability Act (known as Superfund), and the Missouri Air Conservation Law, Clean Water Law and Hazardous Waste Management Law. The penalty will be paid by Doe Run in a \$3.5 million payment to the United States and a \$1.5 million payment to the state of Missouri, with an additional \$1 million plus interest to be paid to the state each year for the next two years.

"This settlement will reduce lead pollution in the town of Herculaneum and in other southeastern Missouri communities, as well as encourage the development of innovative technology and projects to improve the environment in impacted communities," said Ignacia S. Moreno, Assistant Attorney General of the Justice Department's Environment and Natural Resource Division. "It should also send a message to all companies that handle hazardous waste, such as lead: You must comply with the laws that are intended to protect public health and the environment."

"For years families with children near Doe Run's facilities have been exposed to unacceptable levels of lead, one of the most dangerous neurotoxins in the environment," said Cynthia Giles, assistant administrator for EPA's Office of Enforcement and Compliance Assurance. "Infants and young children are at the greatest risk from lead exposure, which even at low levels can cause behavioral problems, learning deficits and lowered IQ. Today's settlement

requires Doe Run to take aggressive actions to clean up their act and work to ensure that families living near the company's facilities are protected from lead poisoning and other harmful pollution."

The settlement also requires Doe Run to establish financial assurance trust funds, at an estimated cost of \$28 million to \$33 million, for the cleanup of Herculaneum and the following active or former mining and milling facilities: Brushy Creek, Buick, Fletcher, Sweetwater, Viburnum and West Fork. This commitment ensures that financing will be available to fund the clean up of the smelter property and the six mining and milling sites whenever they are eventually closed. Doe Run will also take steps to finalize and come into compliance with more stringent Clean Water Act permits at 10 of its facilities, including Herculaneum, Glover, Buick Mill, Brushy Creek, Fletcher, Sweetwater, Viburnum, West Fork, Mine #35 (Casteel), and Buick Resource Recycling, and will spend an estimated \$5.8 million on stream mitigation activities along 8.5 miles of Bee Fork Creek, an impaired waterway near Doe Run's Fletcher mine and mill facility.

The company will also spend \$2 million on community-based mitigation projects to reduce pollution from other sources in southeastern Missouri. At least \$1.1 million of this amount will be spent on diesel engine retrofits, school science lab clean outs, school energy efficiency projects and installations of heat pumps. Other projects, such as the purchase of sulfur dioxide allowances, wastewater infrastructure projects for the city of Herculaneum, or the development and improvement of environmental management systems at Doe Run's facilities may also be included.

Instead of installing pollution control technologies needed to reduce sulfur dioxide and lead emissions as required by the Clean Air Act, Doe Run has made a business decision to shut down its lead smelter in Herculaneum, Mo., by Dec. 31, 2013. The company will also provide an initial \$8.14 million in financial assurance to guarantee cleanup work at the Herculaneum facility. The closing of the Herculaneum smelter is expected to result in significant benefits to public health and the environment by annually reducing air emissions of at least 101,000 tons of carbon dioxide, 42,000 tons of sulfur dioxide, 30 tons of lead, 23 tons of particulate matter, 22 tons of carbon monoxide, 13.5 tons of nitrogen oxides, and 2.5 tons of volatile organic chemicals. These reductions will result in significant health and environmental benefits to the Herculaneum and St. Louis areas, which are currently exceeding federal air standards for lead, ozone and particulate matter.

In addition to the consent decree, EPA is issuing for public comment a new administrative order that requires Doe Run to sample residential properties within 1.5 miles of the Herculaneum smelter, and clean up all residential properties with lead soil concentrations of

400 parts per million or higher within that zone. The order requires Doe Run to conduct a final round of soil sampling and residential property cleanups in Herculaneum after the smelter is shut down.

EPA is also issuing for public comment a modified May 2007 administrative order addressing issues related to the transportation of lead-bearing materials between Doe Run facilities. The modified order requires Doe Run to spend an estimated \$3.2 million to improve the washing and inspection of its trucks, conduct additional sampling of soil from residential properties along the haul routes, provide independent auditing of its washing and inspection activities, and conduct a study to assess and improve its transportation and handling operations.

The civil judicial consent decree is subject to a 30-day public comment period and approval by a court before it becomes final. Each of the two administrative orders are subject to similar but separate 30-day public comment periods before they become final.

More information on the settlement:

www.epa.gov/compliance/resources/cases/civil/mm/doerun.html

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